ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA

July 31, 2017 7:00 PM

City Hall Assembly Chambers
Regular Meeting 2017-16

Submitted By:

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Duncan Rorie Watt
City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

IV. APPROVAL OF MINUTES

A. **June 26, 2017 Regular Meeting No. 2017-15**

V. MANAGER'S REQUEST FOR AGENDA CHANGES

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

VII. CONSENT AGENDA

A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction

B. Assembly Requests for Consent Agenda Changes

C. Assembly Action

1. Ordinances for Introduction

a. **Ordinance 2017-18 An Ordinance Amending the Penal Code**

This ordinance aligns the CBJ penal code with state statutes and adds penalty provisions. An annotated version of this ordinance, which explained each amendment, was presented to the Committee of the Whole on July 12, 2017. The Committee of the Whole approved a motion to forwarding the ordinance to the assembly for introduction.

The City Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

b. **Ordinance 2017-21 An Ordinance Amending the Discharging Firearms Ordinance.**

This ordinance would amend the code section prohibiting the discharging of firearms in certain areas to remove an incorrect geographic reference. CBJ 42.20.050 prohibits the discharge of firearms within a quarter mile of the Mount Roberts Trail. In describing the trail, the code specifically identifies the trailhead as beginning at Sixth Street. Although that trailhead still exists and is still in use, the official trailhead is now at Basin Road. Eliminating the specific reference to Sixth Street would result in both trailheads being recognized for purposes of CBJ 42.20.050.
At the April 3, 2017, meeting, an Assembly member questioned the reference to Sixth Street and asked staff to look into the question. This ordinance is a result of that inquiry.

The City Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

c. **Ordinance 2017-22 An Ordinance Providing for the Levy and Collection of a Temporary 1% Areawide Sales Tax on the Sale Price of Retail Sales, Rentals, and Services Performed within the City and Borough of Juneau, to be Effective October 1, 2018, and Providing for a Ballot Question Ratifying the Levy.**

This ordinance would place the question of extending the 1% temporary sales tax on the ballot at the next regular municipal election. The current 1% temporary sales tax expires on September 30, 2018. If approved, the temporary 1% tax would be extended five years, until September 30, 2023.

It is estimated that the temporary tax would generate a total of $43.3 million in sales tax revenue. It is intended that this revenue be used for a variety of capital projects focused on addressing deferred maintenance needs of public utilities and facilities. These projects would improve the condition of city owned assets, thereby helping to hold down operating costs and allowing for smaller utility rate increases moving forward. The earmarked projects include the following:

- Wastewater: infrastructure maintenance and improvements
- CBJ-owned building maintenance
- Water: infrastructure maintenance and improvements
- Airport: matching funds for federally funded projects
- Augustus Brown Pool deferred maintenance
- Centennial Hall upgrades and deferred maintenance
- Schools: major building maintenance
- Bartlett Regional Hospital: Rainforest Recovery

Center upgrades
- Information Technology: infrastructure upgrades
- RecycleWorks: Wastewater diversion program
- Affordable Housing Fund
- Park deferred maintenance
- Aurora Harbor reconstruction

This issue was reviewed by the Assembly Finance Committee at its meetings on June 14, June 28, and July 13, 2017. The Finance Committee recommended the ordinance be brought to the full Assembly for consideration.

The City Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

d. **Ordinance 2017-24 An Ordinance Increasing the Hotel-Motel Room Rental Tax by Two Percent and Providing for a Ballot Question Ratifying the Increase.**

This ordinance would place the question of increasing the hotel-motel room rental tax from seven to nine percent on the ballot at the next regular municipal election.

The hotel-motel room rental tax was last increased in 1988. The increased rate authorized by this ordinance would generate an estimated additional $400,000 per year in revenue. The intent is to use the funding initially for renovations to the Juneau Arts and Cultural Center, and then for improvements to Centennial Hall, the CBJ's parking infrastructure, visitor information and marketing services, and other tourism and visitor services and facilities.

The City Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting and be referred to the Finance Committee.

2. Resolutions

a. **Resolution 2800 A Resolution Naming the Site of the Whale Sculpture, Located on the Tidelands at West Ninth Street, the "Mayor Bill Overstreet Park."**

This resolution would name the area located around the whale sculpture as "Mayor Bill Overstreet Park". Bill Overstreet served as mayor of Juneau for three terms in the 1970s and 80s. Among many other good deeds and significant professional and volunteer achievements, Bill was instrumental in defeating the capital move vote in the critical 1982 election.

After serving as mayor of Juneau, Governor Bill Sheffield tapped him to be Alaska's trade representative in Tokyo. While living there, Overstreet

saw a full-scale humpback whale sculpture at the Tokyo Museum of Natural History and Science, which inspired him to undertake efforts to have a similar sculpture placed on Juneau's waterfront.

Because of his tireless efforts on behalf of Juneau, it is appropriate to honor Mayor Overstreet by naming the park in his memory.

A motion recommending the park be named for Mayor Overstreet was approved by the Parks and Recreation Advisory Committee at its June 6, 2017, meeting. The Lands Committee considered the resolution at its July 10, 2017, meeting and approved a motion to forward it to the full Assembly for its consideration.

The City Manager recommends this resolution be adopted.

3. Bid Award

   a. **Mendenhall Wastewater Treatment Plant Biosolids Dryer Facility BE17-133**

   The project consists of the demolition of the existing ABF building and construction of a new ~18,734 GSF metal-clad CMU building atop the existing foundations.

   Bids were opened on the subject project on July 11, 2017. The bid protest period expired at 4:30 p.m. on July 12, 2017. Results of the bid opening were as follows:

Responsive Bidders	Base Bid	Additive Alternative No. 1	Additive Alternative No. 2	Additive Alternative No. 3	TOTAL BID
Dawson Construction, LLC	$15,414,000	$546,000	$25,000	$55,000	$16,040,000
Alaska Commercial Contractors	$16,525,000	$540,000	$29,750	$37,000	$17,131,750
Engineer's Estimate	$14,217,000	$525,000	$24,000	$34,000	$14,800,000

The City Manager recommends award of this project to Dawson Construction, LLC for the total amount bid of $16,040,000.

4. Liquor License

a. **Liquor License #4493 - Renewal Kwang LLC dba Little Tokyo**

The above liquor license renewal is before the Assembly to either protest or waive its right to protest. The Finance, Police, Fire, and Community Development departments have reviewed this renewal and found the business to be in compliance with CBJ Code.

In the event the Assembly does protest this renewal, CBJ Code 20.25 requires notice, with specificity regarding the nature and basis of the protest, to be sent to the licensee and provides the licensee an opportunity to exercise its right to an informal hearing before the Assembly. The sixty-day comment period for local governing body action will expire as of Saturday, August 12.

The City Manager recommends the Assembly waive its right to protest the above-listed liquor license renewal.

b. **Liquor License #4584 - Transfer From Doug Trucano d/b/a Zephyr (No Premises) to Genuine Ventures LLC d/b/a Tracy's King Crab Shack (Juneau Subport Location) and an Application for a Restaurant Designation Permit**

The above liquor license transfer is before the Assembly to either protest or waive its right to protest. The Finance, Police, Fire, and Community Development departments have reviewed the above transfer and found the business to be in compliance with CBJ Code.

In the event the Assembly does protest this transfer, CBJ Code 20.25 requires notice, with specificity regarding the nature and basis of the protest, to be sent to the licensee and provides the licensee an opportunity to exercise its right to an informal hearing before the Assembly. The sixty-day comment period for local governing body action will expire as of Monday, August 21.

The City Manager recommends the Assembly waive its right to protest this liquor license transfer and approve the application for a Restaurant Designation Permit.

c. **Liquor License #4742 - Transfer From Wal-Mart Stores, Inc. to Glacier Hwy LLC**

The above liquor license transfer is before the Assembly to either protest or waive its right to protest. The Finance, Police, Fire, and Community Development departments have reviewed the above transfer and found the business to be in compliance with CBJ Code.

In the event the Assembly does protest this transfer, CBJ Code 20.25 requires notice, with specificity regarding the nature and basis of the

protest, to be sent to the licensee and provides the licensee an opportunity to exercise its right to an informal hearing before the Assembly. The sixty-day comment period for local governing body action will expire as of Saturday, August 12.

The City Manager recommends the Assembly waive its right to protest this liquor license transfer.

VIIIPUBLIC HEARING

A. **Ordinance 2016-09(AR) An Ordinance Appropriating to the Manager the Sum of $1,660 as Funding for AmeriCorps Training; Grant Funding Provided by the State of Alaska, Department of Commerce, Community and Economic Development.**

The CBJ Parks and Recreation department applied for and was awarded funds from the State of Alaska, Department of Commerce, Community and Economic Development to send a Parks and Recreation employee to Anchorage to attend an AmeriCorps program planning meeting.

Attendance at this meeting provided the department with information needed to determine if it was appropriate to apply for a grant which would allow Parks and Recreation to administer the AmeriCorps program in Juneau.

Attendance of this meeting generated the information that was needed, and it was ultimately decided that this was not an avenue that the department would pursue, and better handled by the United Way. The grant covered all of the costs associated with this travel. This ordinance is a housekeeping measure to accept grant funds.

The City Manager recommends this appropriation ordinance be adopted.

B. **Ordinance 2017-06(A) An Ordinance Appropriating to the Manager the Sum of $16,500 as Funding for the Library Department; Grant Funding Provided by the Friends of the Juneau-Douglas City Museum.**

This ordinance appropriates $16,500 in grant funding to the Library Department, for the purpose of expanding hours of operation at the City Museum. There is no matching requirement for this grant.

Grant funding is provided by the Friends of the Juneau-Douglas City Museum through donations made for this purpose by the Benito & Frances C. Gaguine Foundation, Michelle & Robert Storer, Alison E. Browne, and the Friends of the Juneau-Douglas City Museum. These funds were raised to increase hours of operations at the museum. The funds will allow an increase in museum staffing from 0.75 FTE to 1.00 FTE for FY18. The grant fully funds salaries and benefits for this increase; there is no impact to support from the general fund.

The City Manager recommends this ordinance be adopted.

C. **Ordinance 2017-06(B) An Ordinance Appropriating to the Manager the Sum of $15,000 as Funding for the Juneau Public Libraries; Federal Grant Funding Provided by Arts Midwest.**

This ordinance appropriates $15,000 in grant funding to the Juneau Public Libraries, for the purpose of participating in the Big Read, an initiative of the National Endowment for the Arts (NEA) in partnership with Arts Midwest.

Big Read broadens our understanding of our world, our communities, and ourselves through the joy of sharing a good book.

Grant funding is provided by Arts Midwest. This federally funded grant is contingent upon funds to be received by Arts Midwest from the National Endowment for the Arts: CFDA (Catalog of Federal Domestic Assistance) #45.024.

This program has a dollar-for-dollar matching requirment and is matched with staff time from the Library, a cash contribution from the Friends of the Juneau Public Library, and third party in-kind contributions from the University of Alaska, Southeast *One Campus One Book* program, Bartlett Regional Hospital, the Alaska State Library, and the 49 Writers group.

The City Manager recommends this ordinance be adopted.

D. **Ordinance 2017-14(b) An Ordinance Proposing an Amendment to the Charter of the City and Borough Relating to Competitive Bidding.**

This ordinance would place on the October 2017 ballot a proposed Charter amendment regarding method of procurement for the purchase of supplies, materials, equipment, and services. The CBJ Charter states that all public improvements and, whenever practicable, other purchases of supplies, materials, equipment, and services, shall be by competitive bid and awarded to the lowest qualified bidder, except in certain cases identified in the charter. The proposed amendment would add an exception to allow for competitive proposals and other alternative procurement methods adopted by the assembly by ordinance.
This issue was discussed at the Public Works and Facilities Committee meetings on May 1, 2017, and June 12, 2017. The committee approved moving it forward to the full assembly. The Committee of the Whole considered the ordinance at its July 12, 2017, meeting, also approving a motion to forward the ordinance to the full assembly..

Version (b) of the ordinance makes one small change (shown in underlined italics) to the proposition language in Section 4. This change, recommended by the Clerk, is intended to make the proposition question clearer to the voters.

The City Manager recommends this ordinance be adopted.

E. **Ordinance 2017-17(b) An Ordinance Amending the General Provisions Code**

to Add a New Chapter Relating to Public Records.

The City and Borough of Juneau is required to comply with the Alaska Public Records Act (Alaska Statute 40.21.110 - 220) regarding the disclosure of public records. Although state law outlines the legal obligations that must be complied with by all municipalities, the procedural process provided for by state regulations that guides state agencies does not apply to municipalities.

At its meeting on April 3, 2017, the Assembly approved a request that an ordinance be drafted to formalize a uniform process for staff to follow in responding to requests for the disclosure of public records. This ordinance would create that procedural process.

The Committee of the Whole considered the ordinance at its July 12, 2017, meeting and recommended it be forwarded on to public hearing, with one small change to correct a typographical error in 01.70.080(d)(3), shown in underlined italics.

The City Manager recommends this ordinance be adopted.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. **Docks & Harbors Regulation Amending Fees for Commercial Use of Boat Launches 05 CBJAC 20**

As part of the Docks & Harbors comprehensive fee review process, the Board proposes adding a daily commercial use fee for boat launches. The existing regulation requires commercial haulers to secure an annual permit fee of $250 per trailer. This new regulation would allow commercial haulers to purchase a daily permit fee for $30. This regulation would align the options similar to the recreational boat launch fees which provides for an annual or daily fee, currently $90 and $15 respectively.
These proposed regulations were advertised consistent with CBJ code and a public hearing at the July 27, 2017, Docks & Harbors Board. There were no comments received.

The City Manager recommends the Assembly adopt the regulations allowing a daily commercial use permit for boat launches.

B. **Docks & Harbors Regulation Amending Shorepower Access Fees 05 CBJAC 30**

As part of the Docks & Harbors comprehensive fee review process, the Board proposes changes to the daily shorepower access fee. These fees have not been adjusted since 2005 and are imposed on vessels that do not have metered accounts with the local electrical utility. This fee is typically assessed to visiting, transient vessels. The proposed rates were calculated by assuming 80% of the stated

amperage load for a 24 hour period. The Board also reviewed the fees for summer monthly and fees for winter monthly, including live aboard electrical fees. The Board is recommending no changes to the monthly fees.
These proposed regulations were advertised consistent with CBJ code and a public hearing at the July 27, 2017, Docks & Harbors Board. There were no comments received.

The City Manager recommends the Assembly adopt the regulations pertaining daily shorepower access fees.

C. **Docks & Harbors Regulation Adding Wastewater Discharge - Marine Sanitation Devices / Requirements 05 CBJAC 45**

Three new regulations collectively work to prohibit the discharge of raw sewage into the Juneau harbors. Although the federal Clean Water Act under 33 CFR Section 312 provides the statutory framework under which the EPA and the U.S. Coast Guard regulate sewage discharges from vessels, there are no local laws requiring the same within the harbors. To achieve Docks & Harbors' goal of attaining Alaska Clean Harbors recognition, the local governing body is required to establish regulations strictly prohibiting sewage discharge.
05 CBJAC 45.005 (Wastewater discharge) defines wastewater, provides a non-monetary penalty, and issues guidance to approved discharge methods. 05 CBJAC 45.010 (Marine Sanitation Devices) provides technical definition of the three types of Marine Sanitarian Devices certified by the Coast Guard for use aboard vessels. 05 CBJAC 45.015 (Marine sanitation requirements for vessels) requires that vessels in the harbors which have permanently installed toilet facilities must be compliant with Coast Guard certified Marine Sanitation Devices. Vessels in the harbors with portable toilets are not considered permanently installed and are exempt from this regulation. However, live aboard vessels registered with Docks & Harbors must be equipped with an operable Marine Sanitation Device.
These proposed regulations were advertised consistent with CBJ code and a public hearing at the July 27, 2017, Docks & Harbors Board. There were no comments received.

The City Manager recommends the Assembly adopt the regulations pertaining to wastewater discharge, marine sanitation devices and marine sanitation requirements.

D. **SEAL Trust v CBJ Assessor 2017 - Notice of Appeal**

On June 16, 2017, the CBJ Assessor denied a request from the Southeast Alaska Land Trust for charitable use exemption status for 14 properties. On July 14, 2017, an appeal of the Assessor's decision was filed.

In accordance with the Appeals Code, the Assembly must decide whether to accept or reject the appeal. If you determine, after liberally construing the notice of appeal in order to preserve the rights of the appellant, that there has been a failure to

comply with the appellate rules, or if the notice of appeal does not state grounds upon which any of the relief requested may be granted, you may reject the appeal.

If the appeal is accepted, you must decide whether the Assembly will hear the appeal itself or if it will assign the appeal to a hearing officer. If you decide to hear the appeal yourselves, a presiding officer should be appointed.

In hearing an appeal, the Assembly sits in its quasi-judicial capacity and must avoid discussing the case outside of the hearing process. (See CBJ 01.50.230, Impartiality.)

As this is a quasi-judicial matter, the City Manager makes no recommendation.

E. **Approval of the Supplemental Agreement for the Pump Room and Restroom Construction under contract E16-128, Seawalk Bridge to Gold Creek, Phase III**

The Supplemental Agreement will increase the Seawalk Bridge to Gold Creek, Phase III contract by $1,264,470 or 43% of the original contract award amount. CBJ Code 53.50.040 allows for supplemental agreements on existing contracts and requires Assembly approval, if the amount is greater than $250,000, and a public interest finding. The public interest finding shows that cost savings will be realized in construction, contract administration, operations and maintenance costs. Additional benefits include accelerating the construction timeline to allow for the project to be constructed in the fall and winter with a spring opening of the park, restroom and fountain.

The Assembly Public Works and Facilities Committee reviewed this request on July 13, 2017 and forwarded it to the Assembly for adoption.

The City Manager recommends the Supplemental Agreement be approved.

F. **ADOT Request to Purchase CBJ Property**

The Alaska Department of Transportation and Public Facilities (ADOT) has requested to purchase a 507 square foot fraction of Lot 3, USS 3566 which is across Egan Drive from Centennial Hall. The Division of Lands & Resources received an application from ADOT to acquire the property from the City as part of the Egan Drive reconstruction project between 10th Street and Seward Street. ADOT has requested a series of easements along the reconstruction path, but since this property is 507 square feet, of which a majority will be incorporated as ROW, ADOT has requested to purchase this parcel. *Title 53.09.260(a) – Negotiated Sales, Leases and Exchanges* states that "the proposal shall be reviewed by the assembly for a determination of whether the proposal should be further considered and, if so, whether by direct negotiation with the original proposer or by competition after an invitation for further proposals. Upon direction of the assembly by motion, the manager may commence negotiations…" If supported by assembly motion, the

proposal will go before the Lands Committee for discussion and will return to the Assembly for adoption by Ordinance.

The City Manager requests a motion of support to further consider this disposal with the original proposer, the Alaska Department of Transportation and Public Facilities.

G. **CSP2017 0006 - Notice of Recommendation from Planning Commission re: Auke Bay Statter Harbor Improvements**

XI. STAFF REPORTS

A. **Borough Annexation**

XII. ASSEMBLY REPORTS

A. Mayor's Report

B. Committee and Liaison Reports

C. Presiding Officer Reports

XIII. ASSEMBLY COMMENTS AND QUESTIONS

XIV. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

XV. EXECUTIVE SESSION

A. **Executive Session: CLIA**

XVI. ADJOURNMENT

XVII. SUPPLEMENTAL MATERIALS

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org